

Committee: Cabinet

Agenda Item

Date: 16 February 2016

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Title: Capital Programme 2016/17 – 2020/21

Portfolio Holder: Councillor Simon Howell

Item for decision

Summary

1. The Capital programme is for the next 5 years, 2016/17 to 2020/21.
2. Capital Expenditure relates to spending on schemes and assets that have a long term value and exceeds cost of £10,000.
3. The programme details planned Capital Expenditure on the Council's buildings, vehicles and ICT assets.
4. The programme includes Capital Grants to other organisations and individuals.
5. The programme is for both General Fund and Housing Revenue Account assets and schemes.
6. The Scrutiny Committee reviewed the budget reports on 9 February. Comments from the Committee are in a separate item on the agenda.

Recommendation

7. The Cabinet is requested to approve, for recommendation to Full Council, the Capital Programme and associated financing of the programme as set out in this report.

Financial Implications

8. The revenue costs of financing the Capital Programme have been built into the HRA and General Fund budgets detailed elsewhere on the agenda.

Background Papers

9. None

Impact

Communication/Consultation	None
Community Safety	None
Equalities	None
Health and Safety	None
Human Rights/Legal Implications	None
Sustainability	None
Ward-specific impacts	None
Workforce/Workplace	None

Capital Programme 2016/17 – 2020/21

10. Appendix A shows a summary table of all the capital projects and their costs for each year.
11. Appendix B details all the capital programmes by Portfolio and gives details of the type of expenditure and the scheduled programme of works for each year.
12. The Capital Programme is an evolving and rolling programme year on year.
13. Appendix C details the financing of the Capital Programme.
14. The schemes of works detailed in the programme are proposed to be funded by the following means:
 - Grants
 - Revenue contributions
 - Capital receipts and internal borrowing
 - The HRA will also use the 'Financial Headroom' available
15. No external borrowing is required to finance the 5 year Capital Programme detailed in this report.
16. The HRA capital financing includes a contribution from the Major Repairs Reserve which is the equivalent to the annual depreciation charge on council dwellings and other HRA assets. This funding is used to support the annual capital repairs budget.

17. A regular update on the capital programme and associated financing is included in the Budget Monitoring reports presented to Cabinet throughout the year.

18. The robustness of the capital programme and a review of each scheme have been undertaken by the officers of the Capital Programme Working Group at regular intervals.

Capital Programme – Key points

19. General Fund

- The purchase of land to enable the extension of Lower Street Car Park in Stansted is planned for 2016/17.
- There is a rolling programme of significant works planned for London Road Offices over the next 5 years.
- The second stage of the relocation of the Dunmow Depot is due to be completed in 2016/17.

20. HRA

- Mead Court is due to be completed in 2016/17.
- Reynolds Court programme of works is planned for 2016/17 and to be completed in 2017/18.
- Hatherley Court redevelopment is planned to be completed in 2016/17.
- The redevelopment of the Walden Place sheltered units are planned for redevelopment over 2016/17 and 2017/18.

Risk Analysis

Risk	Likelihood	Impact	Mitigating actions
Failure to identify capital budget pressures and/or funding not realised	2- Unlikely as all projects fully funded	2 – would require a drawdown on reserves	Ongoing review of the spend via budget monitoring and capital officers working group

1 = Little or no risk or impact

2 = Some risk or impact – action may be necessary.

3 = Significant risk or impact – action required

4 = Near certainty of risk occurring, catastrophic effect or failure of project

APPENDIX A – 5 YEAR CAPITAL PROGRAMME SUMMARY

	2015-16 Forecast £	2016-17 Forecast £	2017-18 Forecast £	2018-19 Forecast £	2019-20 Forecast £	2020-21 Forecast £	Total £
Community Partnerships and Engagement	353,000	145,000	110,000	110,000	110,000	110,000	938,000
Environmental Services	352,000	1,395,000	794,000	245,000	2,031,000	503,000	5,320,000
Finance Administration	2,085,000	962,000	187,000	148,000	260,000	145,000	3,787,000
Housing and Economic Development	785,000	725,000	640,000	640,000	640,000	640,000	4,070,000
Total General Fund	3,575,000	3,227,000	1,731,000	1,143,000	3,041,000	1,398,000	14,115,000
HRA Capital Fund	3,412,000	3,330,000	3,492,000	3,591,000	3,445,000	3,585,000	20,855,000
HRA Business Plan Items	3,959,000	9,190,000	2,220,000	1,300,000	2,100,000	600,000	19,369,000
Total Housing Revenue Account	7,371,000	12,520,000	5,712,000	4,891,000	5,545,000	4,185,000	40,224,000
Total Capital Programme	10,946,000	15,747,000	7,443,000	6,034,000	8,586,000	5,583,000	54,339,000

APPENDIX B – 5 YEAR CAPITAL PROGRAMME BY PORTFOLIO

COMMUNITY AND PARTNERSHIPS

	2015-16 Forecast Spend £	2016-17 Forecast £	2017-18 Forecast £	2018-19 Forecast £	2019-20 Forecast £	2020-21 Forecast £	Total £
Community Projects Grants	148,000	110,000	110,000	110,000	110,000	110,000	698,000
Saffron Walden Castle	200,000	0	0	0	0	0	200,000
CCTV Stansted	5,000	0	0	0	0	0	5,000
CCTV Thaxted	0	35,000	0	0	0	0	35,000
Total Community Partnerships and Engagement	353,000	145,000	110,000	110,000	110,000	110,000	938,000

APPENDIX B – 5 YEAR CAPITAL PROGRAMME BY PORTFOLIO

ENVIRONMENTAL SERVICES

	2015-16 Forecast Spend £	2016-17 Forecast £	2017-18 Forecast £	2018-19 Forecast £	2019-20 Forecast £	2020-21 Forecast £	Total £
Vehicle Replacement Programme	0	1,147,000	684,000	135,000	1,921,000	393,000	4,280,000
Household Bins	70,000	70,000	70,000	70,000	70,000	70,000	420,000
Kitchen Caddies	7,000	10,000	10,000	10,000	10,000	10,000	57,000
Garden Waste Bins	6,000	20,000	20,000	20,000	20,000	20,000	106,000
Trade Waste Bins	16,000	10,000	10,000	10,000	10,000	10,000	66,000
Swan Meadow Car Park	13,000	0	0	0	0	0	13,000
Cycle ways Grant	200,000	0	0	0	0	0	200,000
Flood Prevention	30,000	0	0	0	0	0	30,000
Repair and Renew - Flood Scheme	10,000	0	0	0	0	0	10,000
<u>New Schemes</u>							0
Lower St Car Park Extension	0	102,000	0	0	0	0	102,000
On-board Vehicle Weighing System	0	36,000	0	0	0	0	36,000
Total Environmental Services	352,000	1,395,000	794,000	245,000	2,031,000	503,000	5,320,000

APPENDIX B – 5 YEAR CAPITAL PROGRAMME BY PORTFOLIO

	2015-16 Forecast Spend £	2016-17 Forecast £	2017-18 Forecast £	2018-19 Forecast £	2019-20 Forecast £	2020-21 Forecast £	Total £
<u>ICT Schemes</u>							
Members IT Equipment	18,000	0	0	0	18,000	0	36,000
Minor Items IT	20,000	20,000	20,000	20,000	20,000	20,000	120,000
Citrix Upgrade	8,000	0	0	0	0	0	8,000
PSN CoCo	38,000	30,000	30,000	30,000	30,000	0	158,000
Mobile working ICT set up - Housing	35,000	0	0	0	0	0	35,000
Mobile working ICT set up - Planning and Environmental Health	69,000	0	0	0	0	0	69,000
Telephone System	100,000	0	0	0	0	0	100,000
Revenues and Benefits server	30,000	0	0	0	0	0	30,000
PCI Compliance - cash receipting	35,000	0	0	0	0	0	35,000
PCI Compliance - Direct debit	20,000	0	0	0	0	0	20,000
UPS -Server (disaster recovery)	50,000	0	0	0	0	0	50,000
<u>New Schemes</u>							
Committee Management System	0	20,000	0	0	0	0	20,000
Laptops and Tablets	0	20,000	0	0	0	0	20,000
CCTV - London Rd	0	30,000	0	0	0	0	30,000
Scanning Stations	0	10,000	0	0	0	0	10,000
<u>Council Assets</u>							
London Road Building works	224,000	119,000	58,000	57,000	94,000	80,000	632,000
London Rd Electrical	0	0	54,000	0	37,000	0	91,000
London Rd Heating	26,000	36,000	0	16,000	0	0	78,000
Museum Buildings	80,000	52,000	0	0	36,000	20,000	188,000
Day Centres Cyclical Improvements	20,000	25,000	25,000	25,000	25,000	25,000	145,000
Hill Street Conveniences	120,000	0	0	0	0	0	120,000
Stansted Conveniences - Grant	30,000	0	0	0	0	0	30,000
Museum Storage Facility	91,000	0	0	0	0	0	91,000
Dunmow Depot	900,000	600,000	0	0	0	0	1,500,000
Shire Hill Solar Panels	150,000	0	0	0	0	0	150,000
Mead Court Temporary Accommodation	21,000	0	0	0	0	0	21,000
Total Finance Administration	2,085,000	962,000	187,000	148,000	260,000	145,000	3,787,000

APPENDIX B – 5 YEAR CAPITAL PROGRAMME BY PORTFOLIO

HOUSING AND ECONOMIC DEVELOPMENT

	2015-16 Forecast Spend £	2016-17 Forecast £	2017-18 Forecast £	2018-19 Forecast £	2019-20 Forecast £	2020-21 Forecast £	Total £
Disabled Facilities Grants	390,000	260,000	260,000	260,000	260,000	260,000	1,690,000
Empty Dwellings	40,000	60,000	50,000	50,000	50,000	50,000	300,000
Private Sector Renewal Grants	5,000	55,000	30,000	30,000	30,000	30,000	180,000
Compulsory purchase order	300,000	300,000	300,000	300,000	300,000	300,000	1,800,000
Superfast broadband	50,000	50,000	0	0	0	0	100,000
Housing and Economic Development	785,000	725,000	640,000	640,000	640,000	640,000	4,070,000

APPENDIX B – 5 YEAR CAPITAL PROGRAMME BY PORTFOLIO

HOUSING							
	2015-16 Forecast Spend £	2016-17 Forecast £	2017-18 Forecast £	2018-19 Forecast £	2019-20 Forecast £	2020-21 Forecast £	Total £
<u>HRA Fund</u>							
HRA Capital Repairs	3,276,000	3,180,000	3,255,000	3,345,000	3,295,000	3,435,000	19,786,000
UPVC Fascia's and Guttering	88,000	100,000	100,000	100,000	100,000	100,000	588,000
Cash Incentive Scheme Grants	26,000	50,000	50,000	50,000	50,000	50,000	276,000
Light Vans Replacement programme	22,000	0	87,000	96,000	0	0	205,000
<u>HRA Original Business Plan Schemes</u>							
New builds							
Unidentified Sites	212,000	586,000	1,200,000	1,300,000	2,100,000	600,000	5,998,000
Catons Lane	750,000	150,000	0	0	0	0	900,000
Mead Court - Phase 1	50,000	0	0	0	0	0	50,000
Redevelopments							
Mead Court - Phase 2	1,263,000	505,000	0	0	0	0	1,768,000
Sheltered redevelopments							
Reynolds Court	864,000	5,786,000	620,000	0	0	0	7,270,000
Hatherley Court	300,000	1,463,000	0	0	0	0	1,763,000
Walden Place	0	400,000	400,000	0	0	0	800,000
Other schemes							
Energy Efficiency improvement schemes	375,000	150,000	0	0	0	0	525,000
Review of potential internet cafes in sheltered schemes	25,000	0	0	0	0	0	25,000
ICT							
Service charges planned repair system - (mobile solutions)	65,000	0	0	0	0	0	65,000
Housing contractors portal & module software	55,000	0	0	0	0	0	55,000
Resurfacing trunk/access roads	0	150,000	0	0	0	0	150,000
HRA Housing Total	7,371,000	12,520,000	5,712,000	4,891,000	5,545,000	4,185,000	40,224,000

APPENDIX C – GENERAL FUND 5 YEAR CAPITAL FINANCING

Financing - General Fund	2015-16 Forecast Spend £	2016-17 Forecast Budget £	2017-18 Budget £	2018-19 Budget £	2019-20 Budget £	2020-21 Budget £
Disabled Facilities Grant	(103,000)	(103,000)	(103,000)	(103,000)	(103,000)	0
Museum Storage Funding	(47,000)	0	0	0	0	0
English Heritage Funding for Castle	(200,000)	0	0	0	0	0
Flood grants	(40,000)	0	0	0	0	0
PLACE scheme funding	(300,000)	(300,000)	(300,000)	(300,000)	(300,000)	(300,000)
General Fund Capital Receipts	(76,000)	(34,000)	0	0	0	0
Internal Borrowing	(557,000)	(1,277,000)	(734,000)	(185,000)	(1,989,000)	(413,000)
Direct Revenue Contributions (including reserves)						
Revenue Contributions to Capital - Community and Partnerships	(153,000)	(145,000)	(110,000)	(110,000)	(110,000)	(110,000)
Revenue Contributions to Capital - Environmental	(312,000)	(214,000)	(110,000)	(110,000)	(110,000)	(110,000)
Revenue Contributions to Capital - Finance & Admin	(1,405,000)	(832,000)	(137,000)	(98,000)	(192,000)	(125,000)
Revenue Contribution - Housing and Economic Development	(382,000)	(322,000)	(237,000)	(237,000)	(237,000)	(340,000)
Total Financing	(3,575,000)	(3,227,000)	(1,731,000)	(1,143,000)	(3,041,000)	(1,398,000)

APPENDIX C – HOUSING REVENUE ACCOUNT 5 YEAR CAPITAL FINANCING

Financing - Housing Revenue Account	2015-16 Forecast Spend £	2016-17 Forecast Budget £	2017-18 Budget £	2018-19 Budget £	2019-20 Budget £	2020-21 Budget £
Business Plan Schemes						
Funded from reserves	(708,000)	(4,514,000)	0	0	(712,000)	0
HCA grant funding	0	(902,000)	0	0	0	0
Capital Receipts - RTB	(304,000)	(221,000)	(360,000)	(390,000)	(630,000)	(180,000)
HRA Financial Headroom - Specific Schemes	(2,947,000)	(3,447,000)	(1,850,000)	(910,000)	(662,000)	(322,000)
Other MRR reserve cont	0	(106,000)	(9,000)	0	(96,000)	(98,000)
	(3,959,000)	(9,190,000)	(2,219,000)	(1,300,000)	(2,100,000)	(600,000)
Other Schemes						
Major Repairs Reserve Contribution	(3,209,000)	(3,280,000)	(3,356,000)	(3,432,000)	(3,395,000)	(3,537,000)
Other MRR reserve cont	(125,000)	(50,000)	(137,000)	(146,000)	(50,000)	(48,000)
HRA Revenue Funding	(78,000)	0	0	(13,000)	0	0
	(3,412,000)	(3,330,000)	(3,493,000)	(3,591,000)	(3,445,000)	(3,585,000)
Total Financing	(7,371,000)	(12,520,000)	(5,712,000)	(4,891,000)	(5,545,000)	(4,185,000)